CIO COUNCIL MEETING MINUTES
May 26, 2004
ALBERT COATES GOVERNMENT COMPLEX

ATTENDEES:
MEMBERS: George Bakolia (ITS), Michael Fenton (ITS), Randy Barnes (Revenue), Larry Brewer (Insurance), Bob Brinson (Correction), Mary Sue Brown (Employment Security), Bob Bellamy (DPI), Bill Golden (Treasurer), Ed Johnson (Justice), Jae Kim (Cultural Resources), Cliff Layman (Vice Chair-AOC), Bruce Garner (Secretary of State), Smitty Locklear (Administration), Nancy Lowe (JJDP), Ben McLawhorn (State Controller), Doug Phillips (Commerce), W. Flecher Clay (CCPS), Ed King (DENR), John Davis (OSBM), Janice Underwood (WRC), Gary Zeller (Chair-Agriculture)

OTHER AGENCY GUESTS: Steve Hulsey (DOT for Mark Paxton), Paul Saksa (OSA for Lenny Superville), Andy Billingsley (NCSU), Todd Leck (WRC), Julie Batchelor (Transportation), Woody Yates (IRMC), Steven Hulsey (Transportation), Don Nattress (State Personnel).

ITS: Ann Garrett.

VENDORS: Bill Wade (Alphanumeric Systems), Larry Free (Gartner), Joanne Wise (Analysts International), Tracy Denson (Sapphire Technologies), Ray LeBren (Strategic Technologies), Bob Cauthen (SUN), Danny Berrier (SUN), Sherry Burris (ICS), Jim Schwab(CIBER), George Hogshiaol (Data Networks).

May 26, 2004 SCRIBE: Bruce Garner (DSOS).

Welcome/Comments: Gary Zeller, chair, called the meeting to order at 10:03 AM and welcomed everyone. Gary mentioned that the meeting would probably be a short one. He indicated that Bruce Garner (DSOS) would be taking the minutes.

Minutes: The minutes of the last meeting were approved without change.

Project Mgmt. & Security Training Status: Gary announced that the Project Management training scheduled for June 7-11 was overbooked and he would notify agencies in the next day or two how many seats they must cut. It will be up to the agencies to identify those to cut from the training. There are 135 seats available and 177 proposed attendees for the training.
The Security Training scheduled for June 24-25 still has 15 seats available. Contact Gary Zeller, until further notice, to sign up for this training. Gary Zeller introduced Andy Billingsley, a NCSU Training Consultant. Andy said that attendees to all training sessions would receive a confirmation letter before the class start dates. CEUs are available for the security classes, but to receive CEU, the attendee must complete an official NCSU registration form. As usual, CEU credit information will be stored at NCSU. Any questions, contact Gary or Andy.

Report from the State CIO:
Final Security Assessment report - George said the final report had been issued and all CIOs should have seen it. The report identifies areas for improvement and opportunities for expansion budget requests related to IT security. George reported that he made his case for security funding to the General Assembly. No funding is available this year. The OSBM, OSC, & CIO want to use $5.5M of ITS surplus funds towards IT security needs. George shared with the Committee Chairs that there is an urgent need to upgrade IT security in state government. He

also shared that some agencies had expansion budget requests related to IT security. The report mentioned that the total needed for IT security was $39M. George reported that this assessment was an example of an IT project that was completed on time and less than budget. George gives credit to the agencies and vendors for their efforts in helping complete the project on time. George will meet with the vendors to learn from their efforts and identify opportunities for improvement in future assessments. George has received requests for the total report from the Legislature Fiscal Research Office and the Office of the State Auditor. Both are entitled to the full report and he made them aware that the security reports were confidential by state law.

Legacy Assessment – George made a presentation to the House sub-committee on the status of the legacy assessment project. Tom Runkle is leading the project from ITS. He is working with Keane and Gartner on the project. Together, they will prepare guidelines for the study and share them with the CIOC when finalized. The preliminary assessment should take about 6 months to complete. Agencies must step up to the plate and go on record to identify critical applications. ITS will get a RFP for an automated tool to parse code from critical applications after October. The final assessment report will not be completed until at least spring 2005.

IT Asset Management Process – Existing processes have been captured. Denny McGuire is coordinating this effort from ITS. This project is expected to be complete by July. Denny is working with representatives from several agencies in this effort.

IT Contracts – George read the letter ref. *Information Technology Contracts* issued by Governor Easley at 2pm on May 24, 2004. The letter applies to all agencies except the judicial branch and the universities. It is in reaction to concerns about IT related contracts that were highlighted recently in the newspapers. George will issue IT contract guidelines next week. In the meantime, send any IT contract over $25K to ITS for approval. George said 95% of the agencies comply today. It is embarrassing to the State CIO when agencies provide records without the CIO knowing about it and the media calls him for his opinion. If you are following the rules today, you should have no concerns. With e-Procurement, ITS can tell when you break contracts down into smaller contracts to get by the $25K rule. Don't do that!

IRMC Update – Woody Yates stated that the June TAPCC meeting has been rescheduled to May 27th due to the state holiday on May 31st and will be held in the Education Building, 7th Floor Board Room. The DHHS NEDSS ($410K) and the DOT PMS ($1.29M) projects will come before TAPCC and the IRMC this month for project certifications. The DHHS NC FAST and DOA MFMS projects will come before the TAPCC and the IRMC for certification reviews. The July TAPCC meeting will be held June 30th beginning at 10 am in the Archdale Building, Ground Floor Hearing Room.

CIOC Election Results – Gary Zeller reported that if you haven't voted for a new CIOC chair and vice chair, it is too late! Starting in July, Bob Brinson of Corrections will be the CIOC chair and Randy Barnes of Revenue will be the CIOC vice chair. Nominations for CIOC members to replace Bob and Randy (chair and vice chair are automatically on the planning committee) on the CIOC Planning Committee will be accepted starting June 1.

George Bakolia was asked by members of the General Assembly, what role he thought the CIOC should play in any future IT governance. George wanted to go on record that he suggested that the CIOC have more authority in statutes to assist and work the State CIO in developing statewide strategies and the plans to deliver enterprise services.

Mary Sue Brown wanted to thank the person who nominated her for CIOC vice chair. She declined the nomination because she has served as CIOC vice chair and CIOC chair before and she thinks that other CIOs should have a chance to serve.

Adjournment - The May 26, 2004 CIOC meeting adjourned at 10:45am.